

ESG

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ABOUT INVEST penang

InvestPenang is the Penang State Government's principal agency for promotion of investment. Its objectives are to develop and sustain Penang's economy by enhancing and continuously supporting business activities in the State through foreign and local investments, including spawning viable new growth centres. To realize its objectives, InvestPenang also runs initiatives like the SMART Penang Centre (providing assistance to SMEs), Penang CAT Centre (for talent attraction and retention) and i4.0 seed fund (a catalyst for the start-up ecosystem).



ATTRACTION, DEVELOPMENT & RETENTION OF TALENTS

- Resource centre and point-of-contact for employers and talents
- Policy advocacy on addressing talent gap
- Secretariat for Penang Future Foundation (PFF)

TALENT ATTRACTION AND RETENTION

- Awarding scholarships to outstanding and deserving students from the field of Science, Technology, Engineering, Mathematics, Accounting & Finance
- Upon graduation, recipients will become part of the diverse talent pipelines in Penang's workforce



ASSISTING SME TO MOVE UP THE VALUE CHAIN

- Advisory for market intelligence and financial resources from state & national agencies
- Assist in creating new business opportunities and capacity building initiatives to develop SMEs' value proposition



FUNDING EARLY STAGE TECH START-UPS

- Assist in potential tech start-ups with innovative technology products & services to attain commercialization.
- Enhance local tech start-up ecosystem, encapsulating 'Powered in Penang' capabilities.

ABOUT INspire

INspire is a periodic newsletter produced by InvestPenang. This publication aims to give our stakeholders an update on the industry landscape and emerging opportunities in Penang, along with the State's initiatives to support industries. For more information, visit <https://investpenang.gov.my/> or contact us via email at enquiry@investpenang.gov.my or call us +604-646 8833.

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ESG COMPLIANCE: OUR SUSTAINABLE FUTURE BEGINS TODAY

A changed world

Priorities once held by the world have shifted. Today, we are seeing a palpable trend of organisations across the globe eagerly embracing Environmental, Social and Governance (ESG) practices. Many have taken proactive initiatives to improve their business practices, with the aim of enacting positive changes in the world.

Concurrently, investors, consumers and employees have also become significantly more mindful of their roles in driving and upholding sustainability. Amid rising consciousness of climate change and social welfare, there is a heightened awareness of the consequences of personal consumption and business endeavours, and a general movement to hold the companies they buy from, work for and associate with to higher standards. This drives momentum for businesses and leaders alike to integrate ESG values into their company practices as a means of supporting a more responsible and sustainable model that may create a better world for all.

3 principle factors in ESG

ESG refers to the three central factors used to measure sustainability and the ethical impact a company has on the environment, its employees, customers and the communities globally.



'E', the environmental criteria, addresses the energy a company consumes, the waste it expels, the resources it utilises for production, and the general environmental impact its operations have. This encompasses climate change, carbon emissions, resource depletion, waste and pollution, as well as deforestation.



'S', the social criteria, focuses on a company's relationship with its stakeholders. It centres around the company's reputation it builds with people, institutions and other businesses. Social factors include labour relations, diversity and inclusion, local communities, conflict resolution, health and safety, as well as working conditions.



'G', the governance criteria, refers to the policies and practices a company upholds. It addresses the operating system of controls and procedures within a company. Governance takes into account tax strategy, board diversity and structure, donations and political lobbying, executive remuneration, corruption and bribery as well as all internal operational and administrative strategies, among others.

The component parts of ESG are deeply interconnected. This is demonstrated by the intersection between all three criteria – for example, the knock-on effects seen on society and sustainable business operations when businesses aim to comply with environmental laws.

The benefits of ESG for businesses

ESG practices not only contribute to the betterment of society and the environment, but also greatly benefit businesses and industries globally. With every business invested in adopting a strong ESG framework, can create unlimited value and improve the long-term outcomes for industries as a whole.

One benefit is enabling a company's top-line growth. A strong ESG proposition helps companies enter new markets and expand into others. Companies with solid ESG reputations are more likely to be perceived as advantageous by public stakeholders, making it easier to win licences, access and approval to operate, without excessive planning or operational delays, as compared to competitors with lower social capital.

As ESG awareness grows, strong ESG engagement can also impact investment and consumption decisions. ESG investing is increasingly ubiquitous, with fast-growing demand for sustainable investments.

PwC's Global Investor Survey 2021 found that

79%

of investors worldwide consider ESG risks and opportunities an important factor in investment decision making.

McKinsey's survey on consumer purchases across all end-use segments found that

60% to 70%

of consumers are willing to pay more for sustainable packaging.

ESG initiatives can also generate cost savings. Adopting ESG initiatives can effectively reduce operating expenses such as the cost of electricity and energy. It is important for companies to realise that sustainability practices do not drive up costs, but rather, have the potential to improve resource efficiency and financial performance.

Executing ESG values can help limit and reduce the number of legal interventions a company may face. A stronger ethical position enables firms to achieve the greater strategic freedom needed to relieve regulatory pressure from authorities. ESG compliance not only lessens the risk of adverse government action, but also increases the possibility of attracting government support needed to maintain or expand business operations.

Last but not least, strong ESG commitments also help attract and retain talent, enhance employee motivation and increase total productivity. Employees with high job satisfaction tend to perform better, and studies have found that employee satisfaction is positively correlated with shareholder returns. Employees with strong convictions in the positive impact of their work tend to be more motivated to perform well. This increases overall productivity within an organisation and brings positive impact to the value of the firm.



AN ESG-ORIENTATED *Penang*

As the Silicon Valley of the East, Penang is a key hub in Malaysia's economy. Its robust industry ecosystem is a key factor that attracts Foreign Direct Investments (FDIs). Today, Penang is proud to witness a growing number of companies making true commitments to environmental stewardship, social inclusivity and ethical governance.

The rising momentum in the adoption of sustainability is clear: an increasing number of Penang's industry players are gaining or seeking to gain international sustainability accreditation, including Leadership in Energy and Environmental Design (LEED), Responsible Business Alliance (RBA) and Green Building Index (GBI) certifications, among others. These efforts demonstrate outstanding corporate citizenship among Penang's industry players and their long-term commitment in contributing to the state's ESG well-being.

As ESG continues to command an increasing priority in today's business environment, a fundamental, yet timely transformation in the way companies operate is imperative. We are cognisant of and fortunate to bear witness to the transformation to this new and exciting business agenda. InvestPenang is proud to present a snapshot of some of the deep-rooted, multifaceted ESG initiatives that are already underway by companies in Penang. These endeavours are serving as yardsticks of exemplary ESG and corporate citizenship. Beyond delivering tangible benefits to stakeholders on the ground, these companies are driving the inspiration and momentum for further initiatives that will pave the way to a robust and sustainable future for Penang.

ViTrox: Being a Force for Good

As a global leader in automated machine vision inspection solutions, ViTrox is mindful of integrating sustainability into its business operations. The company classifies its ESG priorities into five core themes: (1) A Go-Green Practitioner, (2) An Accountable Purchaser, (3) A Caring Employer, (4) A Trusted Corporation and (5) A Sustainable Governance. Through its core themes, ViTrox acts as a force of good for the communities, investors and customers by responsibly contributing to the advancement of society and the well-being of humankind.

Go-Green initiatives at ViTrox Campus 2.0



ViTrox has implemented numerous efforts and initiatives in environmental conservation to ensure a sustainable future. At ViTrox Campus 2.0, climate change management, efficient energy usage, air pollution control, waste management, water management and clean technology solutions have been implemented to improve the site's environmental footprint. These include measures to reduce energy use, CO₂ and other greenhouse gas (GHG) emissions and water consumption, while enforcing the practice of 5R (Refuse, Reduce, Repair, Reuse and Recycle) principles.

As part of its goal to achieve net-zero GHG emissions and zero environmental impact in the near future, ViTrox installed 458kW industrial-scale solar photovoltaic panels across the rooftop of its facility. The panels generated 688.21MWh of energy in 2021, which is equivalent to approximately 13% of the total electricity consumed at ViTrox Campus 2.0. With this, the company was able to reduce 439.76 tonnes of CO₂ emissions in 2021, which is equivalent to planting over 36,000 trees to absorb the CO₂ emissions.

On working days, ViTrox provides plant-based meals to its employees under the advice of nutritionists. The in-house vegetarian meals also indirectly reduce CO₂ emissions, minimise deforestation and protect animal lives. The company prepared 116,722 vegetarian meals for its workforce in 2021, effectively cutting 358.72 tonnes of CO₂ emissions, which is equivalent to saving 110,376m² of forest and more than 39,420 livestock, poultry and fish.

ViTrox's efforts have been acknowledged, with the company receiving the Penang Green Office Certification and Green Building Index Certification. In 2021, the company also received an award for its efforts in serving the most number of free vegetarian meals by a company in a year. In 2017, ViTrox had set the record for the Most Number of Amenity Trees planted within 24 Hours, recognised by The Malaysia Book of Records.

As an initiative to reduce the usage of treated water, ViTrox installed two eco ponds at the ViTrox Campus 2.0. The eco ponds are innovatively designed to be self-sustaining, self-renewing mini ecosystems, built to harvest rainwater from the rooftop for use at the facility. The eco ponds work as water catchment areas with a natural filter for rainwater. With a combined collection capacity of more than 120m³, rainwater harvested from the eco ponds is a sustainable water supply source for irrigation of the facility's landscape and V-Farm, the company's sun-lit vertical farm system installed at ViTrox Campus 2.0.



Beyond the manufacturing industry, ViTrox aims to revolutionise the agricultural industry in the region by designing and producing innovative and cost-effective high-tech smart agriculture solutions via its 70%-owned subsidiary, ViTrox Agritech Sdn. Bhd. These solutions will be able to solve pressing challenges such as high foreign labour dependency, unreliable yields due to unpredictable weather conditions and excessive use of pesticides in the country.

A variety of social initiatives

ViTrox supplements its environmental conservation efforts with a diverse range of social initiatives. ViTrox Academy Sdn. Bhd., the company's wholly-owned education arm, was established to strengthen the talent pool in science, technology, engineering and mathematics (STEM). The Academy seeks to provide industry-driven technical training and soft-skill training programmes to improve students' employability. To further this endeavour, in 2021, the company successfully obtained approval from the Ministry of Higher Education to establish ViTrox College to provide industry-centric, inspiring and inclusive education with industry-driven technical and soft-skill training programmes.

ViTrox has established multiple platforms and programmes to nurture future talent. These include: the work-based learning programme, industry-specific skills development programme for future talents and candidate relationship management programme (V-Tribe). Such initiatives offer young talents diverse learning opportunities and practical project participation to develop their technical and soft skills. In 2021, ViTrox reached out to 4,862 participants from various universities and colleges, where the sharing sessions about technical and industrial knowledge will prove beneficial to students and society alike.

ViTrox is committed to helping its employees achieve their full potential by providing them fair online learning opportunities. It keeps its employees updated with the latest skills and knowledge to enhance their competencies and performance. In 2021, ViTrox's employees collectively completed a total of 32,762 learning hours, where they were consistently provided with platforms to share, teach, train, mentor, coach and learn from one another. In 2021, it organized 795 sharing sessions and 181 training sessions to keep its employees abreast with the latest developments and practices in the industry.



ViTrox strongly believes in giving back to its community and therefore, has also created several community engagement initiatives. It encourages volunteerism among its employees through programmes such as V-Serve and arranges charity fundraising events to help those in need. ViTrox donates to national and worldwide charity organisations based on volunteer hours contributed by its people. Other contributions to society include medical resource donations during the Covid-19 pandemic, charity fundraising activities, clothing donations to those facing homelessness, charity concerts and educational donations.

ViTrox engages in supply chain management

ViTrox is highly committed to supporting the growth of the local economy, and consequently, is investing in the improvement of its supply chain management. The company prioritises sourcing from local suppliers, which enhances sourcing efficiency with shorter lead times, creates domestic employment, supports local businesses and reduces the carbon footprint and costs arising from overseas shipments. To support local businesses, ViTrox sources 60% of purchases from local companies.



Besides, ViTrox, together with Pentamaster and Walta, have established a joint-venture company called Penang Automation Cluster Sdn. Bhd. (PAC), to elevate SME capabilities. To date, PAC has created 277 job opportunities, including 194 recruited workforces and 83 vacant positions.

ESG achievement and commitment

In December 2021, ViTrox was added as a constituent of the FTSE4Good Bursa Malaysia (F4GBM) Index, an index designed to identify Malaysian companies that execute strong ESG practices. Its inclusion in the ESG-focused index reflects a new milestone for ViTrox as it demonstrates a strong start in its ESG journey and commits to its ESG practices and disclosures going forward.

The company believes that its obligations are not only limited to its shareholders but also wider stakeholder groups, namely its customers, employees, suppliers, community and Mother Nature. Its commitment to sustainability is not driven by shareholders or the authorities, but by its desire to enact positive and long-lasting changes that are aligned with its core values.

ViTrox's ESG commitment fits well into its long-term strategy to achieve sustainable growth. It strives to create a balance between short-term economic performance and long-term strategic plans such as eco-friendly processes, greener products, healthy environments, responsible supply chain ecosystems, higher productivity through trust and corporate governance, more diversified and inclusive workforces, and continuous development, growth and well-being of society. ViTrox strongly believes that ESG is founded on coexistence; conducting business operations through an ESG lens creates a better world.

About ViTrox[®]

ViTrox Corporation Berhad is an investment holding public listed company. Since its inception in 2000, the Group designs and manufactures innovative, leading-edge and cost-effective automated vision inspection equipment and system-on-chip embedded electronics devices for the semiconductor backend and electronics assembly industries. It serves customers around the world, including semiconductor outsourced assembly and test companies, printed circuit board assembly manufacturers, original equipment manufacturers, original design manufacturers, electronics manufacturing services providers and contract manufacturers.

Boston Scientific's ESG Journey: Going Beyond the Call of Duty



At Boston Scientific, ESG criteria underpin all business practices. Guided by its core values, the company is dedicated to transforming lives through innovative medical solutions, while concurrently making measurable contributions to the world.

Going strong in going green

Leadership in Energy and Environmental Design (LEED) is the most widely-regarded green building rating system in the world, and is an international symbol of excellence.

*Boston Scientific's manufacturing plant, located at Batu Kawan, was awarded the LEED Silver certification in 2018, making the Company the **first medical device company** in Malaysia with this accreditation.*

This accreditation further validates the company's commitment towards sustainability in all aspects - from building design and construction management, to vendor selection and waste management.

Boston Scientific takes its responsibility to protect the planet seriously. The local team, with the support of its global Environmental Health and Safety Council, sets environmental goals and continues to explore opportunities to further strengthen its positive impact on the environment. This includes consistently reviewing its operational planning and optimisation to improve energy efficiency and reduce waste.

The company's operations in Penang successfully boosted its recycling index from 17% to 78% in two years through the implementation of projects such as the Cooking Oil Recycle Programme with Universiti Tenaga National (UNITEN), Food Decompose and the Pallet Biofuel Conversion Project, in partnership with local vendors.

In 2021, Boston Scientific launched a Paperless Programme to reduce paper usage at its Penang site by introducing electronic forms to replace hardcopies for various processes. The project resulted in a reduction of approximately 142.92 kg paper annually.

Moving forward, Boston Scientific's Penang operations remain focused on supporting the Company's global commitment to Science Based Targets – an initiative that will place the Company on a trajectory to achieve net-zero emissions, as part of the United Nations' Race to Zero and Business Ambition for 1.5°C campaign. Towards this end, its pipeline of local environmental programmes includes renewable energy initiatives, which will see the installation of solar panels that are expected to generate 3MW of electricity by 2023.

Supporting the community



Boston Scientific's ESG initiatives also include community programmes, conducted through corporate outreach initiatives. The company has also enabled multiple platforms that allow its employees to address inequities in their local community. With its Global Community Engagement, the Company focuses on three areas - health, education and caring for communities. In Penang, it formed a Corporate Social Responsibility Committee to define and lead its strategies to best support local communities and non-profit organisations.

One of its ongoing charity programmes in Penang is a collaboration with JCI Pearl, a non-profit entity, to donate Starter Kits containing daily necessities such as utensils and medical masks to childhood cancer patients. Last year, the team successfully raised funds for 80 Starter Kits that were distributed to young patients at Penang General Hospital. Boston Scientific is also the sponsor for several charity organisations, including The Cerebral Palsy (Spastic) Children's Association of Penang, the Shan Children's Home and Batu Grace Children's Home.



In education, Boston Scientific actively advocates STEM education in Penang. Leaning on the mantra of aspiration, ability and access, the company recently sponsored RM6 million in scientific laboratory equipment as well as a thermal laboratory equipped with a Differential Scanning Calorimeter for Universiti Sains Malaysia, aiming to improve the STEM learning environment and facilities for students.

The company is also working closely with educational organisations to initiate and organise various STEM activities and workshops for students. In 2021 alone, it supported more than 11,500 students through major STEM programmes such as the Penang International Science Fair, Penang Digital Literacy Camp, career talks and lab equipment donations to 220 public schools.

Investing in people

Boston Scientific is committed to building an inclusive workplace that values diverse perspectives that can drive its people to do better and think differently. In Penang, the team continues to align its initiatives to lead the way for workplace inclusivity.

The company has a strong network of Employee Resource Groups (ERGs) dedicated to fostering a diverse and inclusive work environment. The Penang operations actively engage two ERGs - Women's Network and Young Professionals' Network. The former focuses on the professional development and advancement of women in the industry, driving fair gender representation and work-life integration in the organisation. Meanwhile, the Young Professionals' Network helps young talents from diverse professional and cultural backgrounds, grow their networks and build extensive professional connections.

As with other global locations, Boston Scientific's operations in Penang emphasise upholding the company's pledge to drive meaningful change in workplace, communities and beyond. Boston Scientific has made steady progress in its six years in Penang and will continue to raise the bar to fulfil its mission as a global business and a global corporate citizen.



A global medical technology leader for more than 40 years, Boston Scientific advances science for life by providing a broad range of high-performance solutions that address unmet patient needs and reduce the cost of healthcare. The Company collaborates with healthcare professionals to develop meaningful innovations that help more people live longer, healthier lives, and is an industry leader in all its areas of specialties.

Boston Scientific has a significant presence in the Asia Pacific region, covering 24 markets, including Malaysia. Its Batu Kawan plant was the Company's first manufacturing site in Asia. The plant started operations in 2017 and produces cardiovascular, endoscopy and urology products for markets across the world.

Keysight's Focus on ESG:

More than Doing the Right Thing, It's Simply the Norm

As a leading technology company, Keysight Technologies' vision is to build a better planet by advancing the world's technology while employing an environmentally sustainable, socially responsible and ethical business framework. This is at the core of the company's values, detailed in the Keysight Leadership Model (KLM) and embraced by all employees.

Environmental sustainability

Environmental sustainability is embedded in Keysight's entire value chain, right down to how the company designs its products: it not only ensures the product fulfils its clients' requirements, but also considers its societal and environmental impact, with a view to optimise the product's hardware size, weight, power and cost, and reduce the volume of materials and energy used and greenhouse gas (GHG) generated along the supply chain.

The company also employs management practices that contribute to the circular economy. These programmes span global operations as the company seeks to continually improve operational and site management practices, as well as working relationships with suppliers and contractors. Keysight's ISO 14001-certified Environmental Management System drives continuous improvements in the company's environmental impact outcomes.

Social impact

Keysight's focus on social impact covers a diverse range of areas including advancing the local community, its employees, human rights and developing innovations that improve the quality of life.

Positively impacting communities where it operates

Keysight supports and strengthens local communities through financial assistance, volunteerism and education outreach programmes. In Malaysia, employees participate in the annual *Tour De Keysight* global cycling relay to raise funds for charity, the *Keysight Action Week* environmental campaigns, and other community programmes. Its primary-to-tertiary STEM outreach includes *Keysight After School* hands-on science workshops, *Introduce-a-Girl-to-Engineering Day*, the *Innovate Malaysia Design Challenge* and donations of Keysight solutions for university research. Keysight also played a key role in establishing Penang's STEM initiatives such as the *Penang Science Cluster*, *Penang International Science Fair* and *Penang Digital Library*.



In Malaysia, Keysight's primary-to-tertiary STEM outreach includes the *Introduce-a-Girl-to-Engineering Day*, a programme to nurture young girls' interest in engineering as a career



Keysight's STEM outreach also includes initiatives to promote design innovation such as the *Keysight IoT Innovation Challenge*



Through programmes like the *Keysight Action Week* re-cycling campaign, the company nurtures a strong sense of community involvement among employees

During the Covid-19 pandemic, the company stepped up efforts to safeguard the lives and livelihoods of the local community. It established a vaccination centre on its premises as part of the Public-Private Partnership Covid-19 Industry Immunisation Programme (PIKAS), enabling its own employees along with those of more than 53 other companies across Penang's industry ecosystem to receive their full vaccinations at the centre. In addition, the company contributed over RM1 million over 18 months to provide much-needed medical supplies and equipment to hospitals, community clinics, and at-risk communities for the treatment and prevention of Covid-19.



Keysight On-site Vaccination Centre, contributing towards herd immunity

Employee development and well-being

Keysight creates a diverse and inclusive work environment that sustains a culture of innovation, ownership, passion and respect. Its employees are given challenging assignments, development opportunities and a safe work environment. The company supports and champions the advancement of women through programmes like the **Keysight-Society of Women Engineers Enterprise Programme (KSWEEP)**, **Keysight Women's Network** and the **Rise-Up Women's Mentoring programme**.

Innovations that improve quality of life

Keysight's technologies and solutions are utilised in applications that help better the lives of people everywhere, such as in the design and testing of medical devices, smart-cities and automotive safety. These products and solutions are helping advance 5G, communications, the Internet of Things, Industry 4.0 and next generation automotive capabilities – all of which will transform the way people live and work.

Ethical Governance

Keysight is committed to doing business in an ethically responsible manner, with strategic and operational policies, procedures and values that uphold transparency, sustainability and legal compliance. With strategic suppliers, the company ensures mutual commitment to sustainable practices. Keysight is an affiliate member of the Responsible Business Alliance (RBA), and in Malaysia, it is a founder-member of the Promise of Integrity alliance, driving the highest standards of integrity within the business community.

Overall, Keysight's ESG efforts are well-aligned with all 17 United Nations' Sustainable Development Goals. Its enterprise-wide efforts have been well-recognised with the conferment of numerous corporate awards.

These include the MY AMCHAM CARES Excellence in Corporate Citizenship Award for four consecutive years. In 2021, the company received the STA (Strategic Trade Act) 2010 Compliance Award from the Ministry of International Trade and Industry for promoting safe trade and maintaining international peace and security. It is a certified Authorized Economic Operator (AEO) by the Royal Malaysian Customs Department for upholding AEO rules based on the SAFE Framework of Standards.



Keysight was conferred the STA 2010 Compliance Award by MITI for promoting safe trade and maintaining international peace and security

Looking ahead, Keysight has set new science-based targets to further extend its sustainability impacts. The company is committed to achieving net zero emissions in its operations by 2040.

About KEYSIGHT

Keysight started operations in Malaysia in 1972 and has since transformed rapidly over the years. Today, it is the industry's largest electronic test and measurement facility in the world. It occupies a 42-acre site in Penang's Free Industrial Zone, with a 1.2 million sq. ft. state-of-the-art facility. More than just a manufacturing site, Keysight's high-value operations in Penang span global business management, research and development, sales, support, marketing, manufacturing, supply chain, IT and global infrastructure services. It has a 4,500-strong workforce comprised entirely of Malaysian talents – 80% of whom are high-level professionals.

This year, Keysight is proud to celebrate its 50th anniversary in Malaysia. From a strong foundation of excellence, it is now looking steadily ahead to accelerate the digital future for Malaysia and the world.

A key initiative towards attaining this target is the installation of the largest industry rooftop solar panel in Penang.

Covering the rooftops of all eight buildings at the company's Bayan Lepas site, the 5.8MW solar installation is also the largest solar power generation system for the Keysight group globally.

It can generate approximately 7.9 million kWh of energy annually, which is more than 16% of the annual energy consumption at the Bayan Lepas facility. This will reduce the equivalent of approximately 5,000 metric tons of carbon dioxide emissions in the first year and more than 95,000 metric tons over 20 years. The project, which was completed in April this year, also contributes to Malaysia's 2050 carbon neutral goal as outlined in the Twelfth Malaysia Plan.

Keysight will continue to enable purposeful innovations in clean technology, wellness, safety and security through its products, solutions and services. The company has also enhanced its diversity and inclusion culture, making it a company-wide priority with a multi-year strategy. It has embraced the ethos of creating a positive impact on the world, and continues to remain steadfast in making further progress towards building a better planet.

Western Digital's Adoption of 4IR Technologies towards Sustainability



Western Digital has always actively championed company-wide ESG initiatives. At a global level, the company has committed to ambitious carbon reduction goals that have been approved by the Science Based Targets initiative. Under these targets, Western Digital commits to reduce its Scope 1 and 2 greenhouse gas (GHG) emissions by 42% by its financial year (FY) 2030, from FY2020 as its base year. The company is also adopting a Scope 3 target to reduce the GHG emissions intensity of its products by 50% per petabyte capacity sold by FY2030. In line with this initiative, Western Digital's Batu Kawan facility in Penang has implemented various strategies towards attaining this goal.

First World Economic Forum Sustainability Lighthouse in Asia

A key strategy at Western Digital Batu Kawan is its implementation of the Lights-Out manufacturing concept, which transforms entire manufacturing systems through the use of advanced 4IR technologies. The Lights-Out concept enables manufacturing processes to operate without lights, reducing the energy consumed per unit produced.



Through this automation of production and logistics, Western Digital Batu Kawan has successfully achieved 32% factory cost improvement, reduced product inventory and order lead time by 50% and raised labour productivity by 360%.

In addition to gains in operating efficiencies, Western Digital Batu Kawan has also won international recognition for its leadership in 4IR. In September 2021, the company was designated by the World Economic Forum as the first 4IR Lighthouse in Malaysia for its advanced manufacturing capabilities and application of 4IR technologies.

In April this year, the company gained the additional designation of being a **Sustainability Lighthouse** for its outstanding environmental footprint reduction. The designation makes Western Digital Batu Kawan the first World Economic Forum Sustainability Lighthouse in Asia, which is a great testament to the success of its ESG initiatives implemented through the adoption of 4IR technologies.

Beyond its manufacturing processes, Western Digital's Batu Kawan site itself is also fitted out to extend its sustainability impacts. The site is equipped with an advanced Building Monitoring System to effectively manage the use of energy throughout the facility. Concurrently, it also recycles wastewater generated from its operations via a multi-layer recycling system that uses algorithm-based control models. This enables wastewater to be tested in real time and converted to re-usable water for operations, thereby reducing the water consumed per unit produced.

Western Digital Batu Kawan is also conscious of the increasing focus on renewable energy, and has incorporated a green energy theme in its expansion plans. With solar energy driving the adoption and application of renewable energy, the facility's second building, which is also Green Building Index certified, has been designed and constructed with a roof-top solar farm that supplements the facility's overall energy requirements.



Social and corporate governance

Western Digital Batu Kawan is committed to creating a healthy workplace that takes care of its employees' well-being, and the company subscribes to RBA requirements to achieve this. Its Diversity and Inclusion initiatives also help to ensure employees have equal opportunities to succeed. Western Digital Batu Kawan has a comprehensive Industrial IoT (IIoT) Academy programme, which provides an avenue for shop floor employees to upskill themselves to become knowledge workers. Under this programme, the company provides specific technical training to develop its employees' knowledge and skillset, to help ensure that they are proficient with the latest technologies. This initiative not only provides employees with career progression and opportunities to grow within the organisation, but also creates a pipeline of potential talent for the company.

Western Digital places strong emphasis on social and corporate governance, and its efforts have earned the company recognition as one of the World's Most Ethical Companies by the Ethisphere Institute for three consecutive years, from 2019 to 2021.

ESG initiatives will remain a key focus in Western Digital Batu Kawan's operations and growth. The company recognises the importance of incorporating ESG as part of its overall strategy, and believes that this will result in an ecosystem where both employees and the organisation do meaningful work to make this world a better place while driving growth and sustainability.



About Western Digital

Western Digital creates environments for data to thrive. As a leader in data infrastructure, the company is driving the innovation needed to help customers capture, preserve, access and transform an ever-increasing diversity of data. Everywhere data lives, from advanced data centres to mobile sensors to personal devices, the company's industry-leading solutions deliver the possibilities of data. Western Digital's data-centric solutions consist of the Western Digital®, G-Technology™, SanDisk® and WD® brands.

Its Penang facility, located in Batu Kawan Industrial Park, manufactures Solid-State Drives (SSDs). The site started operations in 2015 and has grown in tandem with the significant growth and demand for flash-based products.

NI: Building a Society that Works for All and a Healthy Planet that Sustains All

Corporate Impact is NI's holistic approach to corporate citizenship. It is a combination of ESG and CSR strategies that guide how NI positions itself, its people and its technology solutions to work in order to make a positive impact on the society and the planet.

Corporate Impact is also part of NI's 100-year plan, which is its framework for creating long-term value for all stakeholders. To that end, the oversight, management and implementation of ESG programmes and initiatives are structured to ensure these efforts are truly cross-functional, collaborative and are championed by executive leadership with the support of a dedicated Corporate Impact team as well as a Diversity, Equity, Inclusion and Belonging (DEIB) team.

Application of energy efficient systems across the plant

NI's facility in Penang is an LEED-certified Green Building, equipped with energy efficient systems such as energy efficient chillers that consume 40% less electricity as compared to conventional chillers.

These chillers also have the ability to operate at minimum loads and lower starting amps. Other energy efficient systems at the facility include motion sensor lights at areas with low footfall, a digital addressable lighting interface (DALI) that allows control of lighting based on the brightness of available natural light, as well as double-glazed glass panels with heat reflecting properties.

The company also converted its T5 florescent lights to T5 LED lights, which cut electricity consumption by about 6%. NI is also currently exploring rooftop solar panels to be installed at its facility which will save about 8% in electricity consumption annually.

Creating positive impacts on local communities and its workforce

In terms of social initiatives, NI donated RM1 million to the Penang Future Foundation Scholarship Programme and RM150,000 to the Penang Science Cluster in 2020. In 2021, the company donated another RM800,000 to the Penang Science Cluster to fund the Girls in Engineering and Tech (GET) Programme for four years.



The GET Programme, initiated by NI in collaboration with the Penang Science Cluster, aims to increase awareness and interest of girls in the field of engineering and technology among Penang's high school students. It is a year-long programme designed to encourage Form 4 girls to pursue their studies and a career in engineering and technology. GET focuses on sharpening their technical and soft skills through a Module and Project Phase, along with building familiarity with female role models in the industry.

A total of 11 local and multinational companies in Penang are currently committed to support the GET programme, which helps nurture a sustainable and diverse talent pipeline in engineering and technology. The programme will be expanded to include the entire northern region of Peninsular Malaysia – by sponsoring and providing resources to more schools and/or participants. A total of 54 students enrolled in the GET Programme in 2021, with 70% of the participants graduating, having benefitted from the experience of working with industry mentors on innovative engineering projects that were showcased during the Penang International Science Fair (PISF) 2021.

These and other such efforts initiated by NI have been recognised by its workforce: NI's DEIB policy attained a score of 87% (on par with its internal target), as rated by employees in its annual employee engagement survey last year. Further, the impact of the policy is also becoming evident, with 45% of NI's workforce being women, with 37.1% holding managerial and leadership positions.

NI's embedded systems laboratory bridging the academia-industry gap

With a clear goal of advancing STEM education, particularly among underrepresented or economically disadvantaged students by 2030, NI is expanding its commitment and honing its strategy to focus on closing the opportunity gaps in STEM education and the workforce.

The company had noted a general lack of understanding among university students in relating the relevant theories to engineering applications, and saw room to improve students' awareness of tools and hands-on experience in the latest hardware and software used in industries.

Consequently, the company established the NI Embedded Systems Laboratory – where the company fully sponsors the establishment of laboratories that are equipped with a selection of NI's products and solutions at selected universities.

NI trains the universities' lecturers and conducts lectures on the relevant engineering topics for the first five years after the laboratory is set up. In return, the universities commit to integrate NI's platform and technology in its engineering undergraduate course content. The universities are also encouraged to establish the lab and its resources as a hub for teaching and learning activities, as well as for technical training and short courses for internal academic staff or to relevant external parties.



The laboratories are aimed at driving student engagement to create an active learning environment, and to deliver a greater understanding of engineering fundamentals and system design. Ultimately, this is envisioned to foster and enable a vibrant learning environment that encourages collaboration between industry, academia and the government.

Since 2019, three local universities have been selected to receive the NI-sponsored laboratories, namely Universiti Sains Malaysia (2019), Universiti Teknologi Malaysia (2020) and Universiti Putra Malaysia (2021). NI is currently working with Faculty of Electrical Engineering at Universiti Kebangsaan Malaysia on the possibility of setting up a lab on its campus in 2022.



About

NI brings together the people, ideas and technology so forward thinkers and creative problem solvers can take on humanity's biggest challenges. From data and automation to research and validation, NI provides the tailored, software-connected systems engineers and enterprises need to Engineer Ambitiously™ every day.

NI is headquartered in Austin, Texas in the USA and the Penang site which was established in 2009 is its third largest facility in the world. Functions that exist in Penang include manufacturing, platform and product, information technology, shared services and more. NI Penang's newest building which will be a supply chain distribution hub is currently being built and will be operational by the end of 2022. This is a part of its US\$40 million expansion that will create 250 jobs.

Flex's Contribution to a Cleaner and Healthier Future

Guided by its vision of being the most trusted global technology, supply chain and manufacturing solutions partner, sustainability is built into Flex's DNA and plays an integral role in making the vision a reality.

Green & sustainable initiatives

Flex's sustainability initiatives support numerous programmes, providing assistance to a range of environmental, governance and community projects. In conjunction with Earth Day 2021, Flex Penang had collaborated with the Penang Forestry Department to plant 360 trees across its Batu Kawan facility. In November 2021, the company launched its "1 Employee 1 Tree Programme", inviting employees to plant 1,400 trees, sponsored by the Penang Forestry Department, including 20 Bucida trees.



The company also spearheaded a Turtle Conservation Programme at Taman Negara Pulau Pinang in conjunction with Malaysia's National Environment Day Celebration, where the company pitched in to conserve turtle habitats through the donation of 100 ambong-ambong trees and organising a beach clean-up drive.



Flex upholds its role as a responsible corporate citizen, actively contributing to the local food banks, charitable organisations, local schools and universities. Its financial contributions and volunteer work to date have benefitted a myriad of community activities and organisations. During the Covid-19 pandemic in 2020, the company provided grocery donations, food and hygiene kits in the Give2Asia initiative, and supported the Malaysian Medical Relief Society's Strategic Preparedness and Response initiative, which funded the provision of personal protective equipment (PPE) for Ministry of Health (MOH) frontliners.

In Penang, as part of the Malaysia Semiconductor Industry Association's (MSIA) Cares programme, Flex donated two patient monitors costing RM24,000 to Penang General Hospital, addressing the hospital's urgent appeal for ICU/HDU medical equipment to treat Covid-19 patients.

In July 2021, Flex collaborated with the Ministry of International Trade and Industry (MITI) to facilitate Covid-19 vaccinations for industrial workers under the Public-Private Partnership Covid-19 Industry Immunisation Programme (PIKAS). Through this initiative, the company was able to facilitate the vaccinations of 13,500 workers from Flex Penang and 90 other neighboring factories in the Bukit Minyak area. After the successful completion of the PIKAS programme, Flex has continued to fully sponsor the use of the Bukit Minyak premise for booster vaccinations.

Employee Learning & Development (L&D) initiatives



Flex recognises its people as its assets, and constantly invests in the development of its employees. To date, the company has sponsored more than 900 employees' tertiary education courses at local universities, colleges and polytechnics.

This outstanding employee development programme has earned Flex numerous awards including HR Best Award and HR Leader of the Year 2019 from the Malaysian Institute of Human Resource Management (MIHRM), as well as CSR Malaysia's Company of The Year CSER for two consecutive years, in 2019 and 2020.

Inclusivity & diversity initiatives

A key programme among Flex' ESG initiatives include its diversity programme, where the company partners local NGOs, people with disabilities (PwDs) associations and government recruitment agencies, to build an inclusive, diverse workplace. Through this programme, the company has, to date, hired more than 200 PwD employees.

In an earlier press interview, one PwD employee, Tuan Osman bin Tuan Mahmud, who is a Programme Administrator at Flex, shared his career development journey at the company. Tuan Osman, who was born with weak limbs in the lower half of his body, joined Flex in 2005 as an IQA Supervisor. Over the years, he received fair opportunities and promotions, allowing him to further his career. In September 2019, he was selected to be part of Flex's newly-formed Programme Team, entrusted with a major customer account.

To complement its diversity programme, Flex initiated several programmes to support and empower its PwD talents. These include Basic Sign Language training for better communication between its PwD and non-PwD employees, as well as engaging professional interpreters to facilitate interaction and participation of PwD employees during professional development courses.

Flex's dedication to advancing a safe, inclusive and respectful workplace culture has been recognised and acknowledged.

The company was awarded the PwD Friendly Employer Award by Malaysia's Ministry of Human Resources in 2019. In 2021, it clinched the Gold Award for HR Excellence as well as the Sustainability & CSR Malaysia Award for the third consecutive year for its efforts in empowering PwDs.

About flex.

Flex is the manufacturing partner of choice that helps its diverse customer base design and build products that improve the world. Through the collective strength of a global workforce across 30 countries and responsible, sustainable operations, Flex delivers end-to-end technology innovation, supply chain, and manufacturing solutions to diverse industries and end markets.

In Penang, Flex has seven facilities, with a 9,500-strong workforce. The company is also one of the largest employers of PwDs in the electronics manufacturing industry.

Driving Social Impact:

Dell Technologies Making Real Progress in Malaysia

A characteristic of a truly transformational organisation is one that takes its social responsibilities seriously, and Dell Technologies is a name that has stood out in this space. As an organisation that provides the industry's broadest and most innovative technology and services, Dell Technologies has tremendous capability and capacity to do good.

In 2019, Dell Technologies launched its "2030 Progress Made Real" plan – a social impact-related initiative that outlines and tracks the company's ESG strategy and impact through 2030 and beyond. Leveraging on the company's reach, technology and people, the plan's focus has been on taking purposeful action to effect real change in the world – advancing sustainability, cultivating inclusion, and transforming lives, and upholding ethics and privacy that play a critical role in establishing a strong foundation for positive social impact.

Advancing sustainability

Dell Technologies believes in owning the responsibility to protect and enrich the planet by embedding sustainability and ethical practices into all that the Company does across its business ecosystem.

In June 2021, the company commissioned its largest on-site solar panel installation globally for a facility – and its first in Southeast Asia – at the Dell Technologies Asia Pacific Customer Centre (APCC2) in Bukit Mertajam, Penang.

The installation, which produces nearly 1,000 MWh of renewable energy annually and powers more than 25% of production lines at the 24-hour facility, is projected to reduce the facility's annual greenhouse gas (GHG) emissions by about 650 metrics tons.

E-waste is also a growing concern globally and has been a constant focus for Dell Technologies for over 20 years. Since 2007, Dell Technologies has recovered more than 1.1 billion kg of used electronics globally. In Malaysia, its Asset Recovery Services has helped businesses securely and responsibly retire an estimated 73 tons of IT assets from 2018 to 2021.



Cultivating inclusion



In today's business environment, a spectrum of perspectives not only creates a collaborative culture but is also proven to help strengthen financial performance and increase innovation. Dell Technologies views diversity and inclusion not as a "good to have", but a business necessity that is critical to building and empowering the future workforce, while allowing the company to do its part in addressing societal challenges.

In 2017, Dell Technologies launched **MentorConnect** in Malaysia, a unique mentorship programme that engages companies outside of Dell Technologies to promote diverse leadership development. Through this programme, participants are provided guidance on how to successfully build their networks, and to develop new skills, insights, and other professional competencies. MentorConnect has been a resounding success and is now a global best practice for Dell Technologies, having since been introduced in other countries such as Singapore, India and Australia.

The company is also in constant discussions with industry stakeholders on how it can help build a future workforce that is diverse, inclusive, and technically and socially equipped to meet future talent needs of a digital Malaysia. Dell Technologies' collaboration for academic and mentoring initiatives at Universiti Sains Malaysia (USM), one of Malaysia's leading universities, was announced in September 2021. This latest collaboration underscores the company's commitment to help address talent shortage in the industry.



Transforming lives

Technological innovation drives human progress, and Dell Technologies opens the door to unlimited possibilities when it applies its scale, portfolio, and partnerships to solve complex societal challenges. Dell Technologies' collaboration with the Women's Centre for Change (WCC) continues to drive real change in Malaysia, supporting the non-profit organisation in its mission to create an inclusive society that is free from gender violence and discrimination. WCC is a two-time recipient of the Dell Technologies' Progress Made Real grant, to aid efforts in supporting and empowering women, children, families and communities through education and advocacy.

As Dell Technologies scales up its impact over the next decade, the company believes that its collaborative efforts with government bodies, public institutions, industry partners and NGOs can drive tangible, positive change through innovation and action.



Dell Technologies' ESG commitment will continue to increasingly integrate the measurement and management of ESG policies into the company's growth strategy, as well as drive impactful initiatives across its business ecosystem.

About **DELL** Technologies

Dell Technologies helps organisations and individuals build their digital future and transform how they work, live and play. The company provides customers with the industry's broadest and most innovative technology and services portfolio for the data era.

With 3 sites across Malaysia in Penang (SWTC), Bukit Minyak (APCC2) and Cyberjaya, Dell Technologies Malaysia has expanded its operations since its establishment in 1995, and is playing critical roles in supporting operations in 50 countries across the Asia Pacific & Japan region.

Advancing Smith+Nephew's Sustainability Approach in Penang



Smith+Nephew's sustainability strategy is built on its cultural pillars of *Care*, *Collaboration* and *Courage*, and is reflected in its 'Life Unlimited' ethos. Its sustainability efforts extend beyond its operations, to encompass the communities in which its employees live and work. The company demonstrates Care by respecting its global resources, minimising its impact on the environment and ensuring the safety and wellbeing of all its employees. It embodies Courage through ambitious goal-setting to increase volunteerism, reduce waste and CO₂ emissions and minimise its ecological footprint by operating responsibly and sustainably.

The company's Environmental, Social, and Governance (ESG) efforts are overseen by its dedicated ESG committee, which is responsible for developing and executing a roadmap to attain ESG excellence.

Bringing the company's purpose to life, Smith+Nephew Penang had an action-packed 2021. Since taking possession of its Batu Kawan property last year, the site has already achieved its zero waste to landfill goal – four years ahead of its corporate sustainability target.



The team in Malaysia partnered with local waste management companies and identified outlets for all anticipated waste streams prior to the commencement of manufacturing operations.

These efforts have been recognised by the United Nations Global Compact, with the company picking up the 2021 winner's award for Sustainable Development Goal (SDG) Benchmark 4: Zero Waste to Landfill and Incineration.

Building on the company's global strategy, the Penang team aims to achieve 100% renewable electricity utilisation by 2022 through investing in solar panels as well as requisitioning renewable energy certificates. In the longer term, the Penang team aims to achieve net zero emissions by 2045, in particular, net zero Scope 1 and Scope 2 greenhouse gas (GHG) emissions by 2040 and net zero Scope 3 GHG emissions by 2045.

Multi-pronged social initiatives

The company also aims to build a sustainable and diverse talent pipeline, and towards this end, it partnered with the Penang Skills Development Centre (PSDC) in sponsoring 26 students in 2021 through the Centre's practical and skills-based Technical Vocational Education and Training programme. The first six sponsored students graduated from the programme in 2022 and have since joined Smith+Nephew as full-time employees.

In the Social criteria, Smith+Nephew Penang collaborated with Moment of PEACE, an NGO charity organisation, to organise a pre-loved clothes donation drive to help communities in Grik, Kedah, that were affected by the severe floods in August 2021. They also collaborated with a non-profit, The Hope Branch, by supporting the provision of food bags to 900 families impacted by Covid-19 in Penang.

Smith+Nephew has also actively taken on a community leadership role in ESG activities by encouraging more players in the industry to take action and commit to net zero carbon emission goals. Last year, the company signed the British Malaysian Chamber of Commerce's Climate Action Pledge as well as facilitated Malaysia's Climate Action Week: Race to Net Zero Supply Chains, which was organised by the British Malaysian Chamber of Commerce (BMCC) and the British High Commission.

"It has been rewarding and inspiring to see how our Health, Safety and Environment team, our ESG Team and all our employees are actively collaborating to contribute to our sustainability goals. I am incredibly proud of our team for their passion in helping our local communities and for minimising our impact on the planet."

- Mark Arthun, Managing Director & Site Leader -

About Smith+Nephew

Smith+Nephew is a global medical technology business that was founded in Hull, UK in 1856. Its corporate purpose, 'Life Unlimited', focuses on helping to restore people's bodies and their self-belief by using technology to take the limits off living. With a presence in more than 100 countries, the Company strives to make a positive difference to patients' lives through its innovative product portfolio, and the invention and application of new technologies across three global franchises, namely, Orthopaedics, Advanced Wound Management and Sports Medicine & ENT.

Recognising Asia Pacific as a high growth market, Smith+Nephew has ambitious plans for the region. The company established a high technology manufacturing facility in Penang as a strategic decision to ensure a proximity to its fast-growing customer base in the region. Construction of the 250,000 sq. ft. plant began in early 2020 and it is expected to ship its first production batches before the end of 2022.

Exabytes' Strong Drive towards Better Living

Multi-faceted social initiatives

Exabytes' mission is to help SMEs digitalise every aspect of their operations. The company is particularly passionate about helping businesses grow their online presence.

Exabytes' passion extends to lending assistance to the broader community through numerous social responsibility campaigns that aim to assist women, youth and underprivileged, at-risk communities via programmes such as Women Entrepreneurship with Exabytes, Digitalise Penang for Youth and Exabytes We Care, as well as the Foodbank.Digital platform.

Exabytes is committed to empowering women and nurturing women-led startup ventures to build successful online businesses. Towards this end, **Women Entrepreneurship with Exabytes** was launched in 2021 to assist women entrepreneurs by providing tailor-made tools and approaches that reinforce their capacities to start and scale up sustainable businesses.

Digitalise Penang is Exabytes' initiative to give back to the community. Through this CSR effort, Exabytes aims to nurture and build out the digital presence of Penangites and Malaysians, and eventually grow their online presence. Exabytes will sponsor a carefully curated suite of its products and services for up to 1,000 youths who are currently studying computer science, web programming, web design or related courses.

The sponsorship, which carries a total value of RM500,000, will provide a head start for budding talents through the provision of domain names and the opportunity to get real-life, hands-on experiences that range from building websites, managing hosting and website content management system (CMS), to crafting their own codes on virtual private servers (VPS) and operating a development server to fine-tune their programming skills and experiment with programming languages.

#ExabytesWeCare is the company's ongoing initiative to support NGOs and other charitable organisations. Under this initiative, Exabytes helps these organisations establish an effective online presence that includes business email addresses and official websites that are search engine-optimised to improve their findability. Through this initiative, Exabytes enables the participating NGOs and not-for-profit organisations to focus and allocate their resources and efforts directly to their respective causes.



FoodBank.Digital is a platform that connects people and families in need of food and basic necessities with good Samaritans seeking to provide assistance to the less fortunate. Through the platform, people may request for food and basic necessities, while donors can contribute such items or provide monetary donations towards the cause. The platform was a spontaneous response when Exabytes' founder, Mr Chan Kee Siak learnt of the plight of needy families in Malaysia, and the extent of the problem during the pandemic. To date, the platform has successfully delivered a total of 33,010 food boxes to families in need.

Growing effort to preserve the environment



Exabytes is cognisant of the impact of climate change and the importance of every effort in preserving the environment. The company endeavours to minimise its carbon footprint, and as a digital company, an immediate and significant practice is its paperless initiative, where its employees are discouraged from printing physical hard copies of documents and materials in the course of their daily tasks at work. Looking ahead, Exabytes has plans to launch more environmental conservation initiatives, including plans to plant at least 1,000 trees during 2022.

Aspirations for the future

Exabytes is taking an open approach in its ESG strategy – essentially, openly sharing its initiatives with the public. The company believes that this approach will not only build a comprehensive ESG commitment, but also educate and enable collaboration with the broader community and public to build momentum for further ESG initiatives.

Exabytes believes that ESG initiatives should not be one-off initiatives, but rather, long-term, educational journeys that require strong determination and commitment. Exabytes is committed to its ESG undertakings and looks forward to nurturing an even better environment to live in.

About exabytes

Celebrating its 21st anniversary this year, Exabytes is Southeast Asia's leading All-in-one Business Cloud, Digital and eCommerce solutions provider. With a presence in Malaysia, Singapore and Indonesia, Exabytes Group's of Companies' solutions power over 160,000 businesses worldwide, using the power of technology to help its customers grow their businesses online.

Since its establishment in 2001, Exabytes has been guided by the principle of helping SMEs achieve broader awareness and reach wider sales possibilities. Exabytes specialises in providing web hosting services such as cloud hosting, shared hosting, email hosting, VPS, dedicated servers, domain name registration, digital marketing, cloud-based security tools like SiteLock, Cloudflare and Sucuri, as well as website creation and business startup solutions and more. Today, the company's clients range from individuals, students and SMEs, to government-linked and public-listed companies in 121 countries, and it manages over 1,000 servers with over 100,000 websites and more than 1,000,000 email accounts.

Micron Technology Paves the Way for a Greener Future in Penang



As one of the world's largest semiconductor companies, Micron Technology Inc. is mindful of how its business operations affect the environment, and the company takes a proactive approach to environmental stewardship.

Micron considers sustainability matters to be an integral part of its business practices and corporate strategy. The company has adopted specific long-term environmental sustainability goals in four areas: emissions, energy, water and waste. It has allocated spending at least US\$1 billion across its global operations by 2028 on a variety of programmes with innovative approaches to support these goals.

Globally, Micron has reduced its greenhouse gas (GHG) emissions per unit of production by 36% since 2018 and has maintained its water conservation rate at 50%. The company has also expanded its materials and waste reuse, recycle and recover rate to 84% and it is working to raise this to 95%, along with a zero hazardous waste to landfill target by 2030.

Micron Malaysia's well-recognised environmental efforts

With Malaysia at a tipping point in the fight against climate and biodiversity crises, the country is stepping up its efforts to transition to a low-carbon, climate-resilient economy. Micron's sites in Malaysia, located in Batu Kawan, Penang and Muar, Johor, are aligned with this commitment to sustainability, with each having programmes in place to focus on increasing diversity, equality and inclusion, as well as delivering on its environmental and community commitments.

As part of its environmental sustainability efforts, Micron Penang raised awareness on sustainable development through various initiatives namely Micron's Urban Farm, Forest Park, Grande Garden, Food Waste Composting Programme and the Orchard Farming Initiatives. These initiatives are expected to cut CO₂ emissions by over 40 metric tonnes a year.

In commemoration of Earth Day on 23 April 2022, the company switched off the lights in its building in Penang for more than two hours to observe Earth Hour, and organised a recycling drive that successfully collected a massive 1,100kg of recyclable items, including faulty and broken electronic devices, paper, plastic and cans.

Operationally, Micron is also making significant strides in environmental sustainability. The company has fully transitioned to renewable energy, with all its facilities across Malaysia currently 100% powered by renewable energy. This eliminates approximately 120,000 metric tonnes of CO₂ emissions annually, which is equivalent to removing about 24,000 passenger vehicles from the road in a year.

Micron's GHG and energy goals require the incorporation of sustainability considerations into its facilities from the ground up. Towards this end, the company considers, and where feasible, incorporates sustainable building attributes to meet or exceed the LEED criteria, which is the most widely-used green building rating system in the world.

Many of Micron's newest buildings have been accorded the LEED Gold status, including Micron's Penang facility, which was recognised for its water efficiency, energy savings and reduction in CO₂ emissions. Micron Penang also received the Prime Minister's Hibiscus Reward in FY2020 and 2021, acknowledging its efforts in achieving environmental excellence that involved reducing the environmental footprint of its operations.

Given the ever-evolving industry dynamics, Micron keeps abreast of any developments that could present new risks or opportunities related to hazardous substances and waste, and is committed to reducing chemical consumption and waste production. The company expects to improve the waste recycling rate at its Muar facility by 40% and achieve zero hazardous waste to landfill by working with a partner to divert treatment plant sludge for use as an alternative raw material in other industries.

Notwithstanding its impactful efforts so far, Micron believes there is much more to be done as it continues its journey towards sustainability leadership. The company looks forward to raising the benchmark in 2022, with plans to achieve zero solid waste, proliferate urban farming as well as an energy conservation programme. For Micron, anything is possible thanks to its vision of enriching life for all and the collaboration, innovation and tenacity of the team members in achieving this vision.

About

Micron is an industry leader in innovative memory and storage solutions transforming how the world uses information to enrich life for all. With a relentless focus on its customers, technology leadership, and manufacturing and operational excellence, Micron delivers a rich portfolio of high-performance DRAM, NAND and NOR memory and storage products through its Micron® and Crucial® brands. Micron operates in 17 countries, with 11 manufacturing sites and 18 customer labs and a 45,000-strong team.

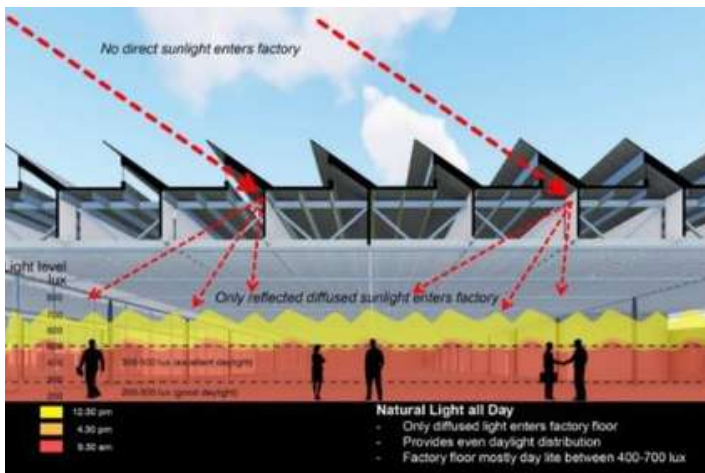
In Malaysia, Micron has operations in Muar, Johor, and Batu Kawan, Penang.

Paramit's Factory In The Forest



Paramit's award-winning "Factory in The Forest" is a new paradigm for factory design. The remarkable facility was designed to maximise its occupants' contact with nature, and concurrently, optimise the building's energy efficiency. The factory has been conceived as a forest that penetrates, encloses and 'steps over' the building, creating maximum contact with nature – visually, audibly and physically.

The triple-storey office has access to gardens at all levels where staff are encouraged to step out for breaks, meetings or contemplation, while the factory has views of the courtyard and the lush, tree-filled landscape surrounding it, along with views of the sky through the full height clerestory glazing along the building's sides.



The facility's roofs are insulated to reduce the heat load into the conditioned space. A large louvered canopy is used to shade the office block and the courtyard. Free-standing fair-faced concrete fins and roof louvers run along the external length of the factory, protecting it from direct sunlight and reducing heat gain into the building. The extensive landscape which creates the "forest" also provides natural shade for the buildings.

The factory is designed to be primarily lit by skylights during the day. These skylights were incorporated in the facility's design from the outset, and aligned with the building's orientation to face north. Simulations were undertaken to determine the design of the skylight, and internal deflector panels were used to diffuse the light and prevent any direct sunlight from coming into the building. The result is a fully daylit manufacturing floor, supplemented by a brightness-adjustable electrical lighting system.

Enhancing water and energy efficiencies



Water is an integral element in a forest environment, and the Factory in The Forest features free-falling rainwater that is channeled from the factory roof into spouts located adjacent to the courtyard. This creates cascades of water simulating waterfalls. The water is then piped and stored in a 400 m³ rainwater harvesting tank and used for irrigation within the facility. The experience of hearing, seeing and touching the free-falling rainwater is believed to not only stimulate one's senses and encourage self-reflection, but also heightens one's awareness and appreciation of the tropical climate.

To further enhance the facility's energy efficiency, Paramit's production and office floors feature an innovative, decoupled cooling system. A floor slab radiant cooling system chills the floor to 20-22°C, making it a cold radiator to the factory environment. Decoupled from this, a cylindrical fabric air supply duct, which provides even air distribution, is connected to air handling units to maintain the ambient temperature at a comfortable 24-25°C. Dedicated outdoor air (DOAS) units pre-treat the incoming moist tropical air by utilising a heat recovery wheel and a passive desiccant wheel. The DOAS mixes the hot dry air recycled from the ovens in the production area with the cool dry indoor air as well as the outdoor air to dehumidify the air to the desired room humidity level.

The Factory in The Forest truly sets a new benchmark in industrial building design. It accomplishes energy savings, requiring 40% less energy than a typical, comparable factory.

Its Energy Usage Density of 380kWh/m²/year is unheard of for a factory of its size and operation. The innovative decoupled cooling system, together with its highly energy-efficient equipment, reduce the building's required cooling capacity by over 500 refrigerant tons, which translates to a cool, US\$1.2 million (RM5 million) saving in capital expenditure.

Paramit's biophilic architecture, previously unseen in the local manufacturing environment, has become not only the face of the company, but also a benchmark in ecologically-sensitive design that has garnered international praise and accolades.



Among these are its inclusion in the RIBA International List for the Best New Building of the World 2018, and nomination for 2019 Aga Khan Award for Architecture. It has also won the LEAF Award for Commercial Building of the Year 2017, FuturArc Green Leadership Award 2018 for Commercial Building, and the A&D Trophy Award 2019 for Commercial, Retail and Office. It was also the runner up for National Energy Awards 2019 in Energy Efficient Designed Building and the first Runner Up in the ASEAN Energy Awards 2019 for Energy Management in Building and Industry. The building was also the winner of the World Green Building Council Asia Pacific's Leadership in Sustainable Design and Performance Award 2020 in the Commercial category.

Looking forward, Paramit Malaysia continues to strive for excellence in sustainability by adopting the latest green technology into its manufacturing operations, and by enhancing its energy efficiency through specific building technologies such as solar photovoltaics (PV) to generate renewable energy.

About Paramit **TECAN.** A Tecan Group Company.

Established in 2011, Paramit Malaysia Sdn. Bhd. manufactures high technology products such as world standard fire and gas detection equipment, digital level measurement, automotive heating solutions, satellite communication equipment and medical devices and life sciences instrumentation. The company's manufacturing facility in Penang Science Park, known as 'The Factory in The Forest', has been in operation since December 2016.

The company recently became part of the Tecan Group, a Swiss provider of automated laboratory instruments and solutions, following Tecan Group's acquisition of Paramit Corporation in September 2021.



Aemulus' Dedication to a Healthier Environment

Rising ESG awareness globally has changed the way corporations conduct their businesses, driving companies to operate more responsibly. The purpose and obligations of ESG resonate strongly with Aemulus, prompting its Board and management to endorse the company's 'Purpose of ESG' strategy in 2020. Since then, the company has accelerated its ESG commitments, with increased external collaboration and involvement with similarly-oriented organisations.

Engaging in environmental conservation



The company takes a holistic stance in environmental sustainability, and in 2020, it realised its founders' ambitions of establishing Aemulus Base. Serving as the company's headquarters, Aemulus Base is a sustainable and green building with facilities and features that promote sustainability.

The building facade has brick fins and perforated brick walls that avoid solar heat gain and create a naturally lit interior, while its double-glazed windows are both energy efficient and noise-minimising.

Together, these features create a cool internal atmosphere that has reduced Aemulus' need for air conditioning, and in so doing, increased its electricity efficiency. Consequently, the company is able to power up a built-up area that is five times the size of its previous premises at a similar monthly electricity cost. This initiative to reduce the company's carbon footprint is complemented by its efforts to encourage the conservation of electricity and paper in routine, day to day administrative operations.

In March 2022, Aemulus organised a Green Architecture Symposium (GAS), in conjunction with Penang's 50 years of industrialisation celebrations. The event was the company's first ESG collaboration with external parties and was aimed at promoting green architecture and carbon footprint reduction. The GAS event received much-welcomed support from several top architects in Malaysia who specialise in green architecture, and was successful in sharing invaluable insights and knowledge among participants.



A multitude of social initiatives

Aemulus aims to help improve the urban ecosystem by promoting a healthier work culture, along with a variety of social initiatives to support its community. These include philanthropic efforts seen in the company's Covid-19 response, where it donated surgical masks and laptops to those in need.

The company also supported other charity-focused initiatives by providing financial assistance and setting up an in-house student sponsorship programme. It donated RM10,000 towards the flood relief efforts by Gurdwara Sahib in Petaling Jaya, and organised a fund raiser that collected RM20,000 for an employee whose home was engulfed by fire. The company's "Car-A-Wash" Charity Drive, which saw the participation of volunteers and customers, successfully raised RM11,888 for Rumah Kebajikan Seri Cahaya Pulau Pinang.

Aemulus aims to encourage active lifestyles and cultivate sportsmanship among its staff. In 2022, it held an in-house Table Tennis Tournament, with finalists receiving monetary rewards as incentives for their participation. The company also provided free breakfasts, lunches and dinners for staff members to foster a stronger sense of community, and has initiated policies to ensure fair and non-discriminatory hiring practices.

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Understanding the importance of education among the younger generation, the company launched Aemulus International School in February 2022 - an academy providing learning programmes and hands-on training for enrolled students. Upon graduation, students would also be offered job placements with the company.

A glimpse into the future



Aemulus' ESG efforts are gaining recognition, with the company receiving awards such the Sustainability and CSR Malaysia Award in 2021 and a "Premium" classification for 'Environmental (E) and Social (S)' elements by Manulife Funds.

Looking ahead, the company will continue to drive its ESG initiatives for the betterment of the environment, community and corporate governance. Plans underway include campaigns to encourage active participation in sports through an Olympic-themed sports carnival for industry players which will be held later this year. It is also looking to support the trishaw community that was hard hit during the pandemic, by sponsoring trishaw rides for underprivileged children and providing income for trishaw workers.

Operationally, as part of its long-term goals, Aemulus is exploring a transition to a Circular Economy Model. This may involve architectural changes in its future products, including the possible redesign of some of its test modules into two interconnected submodules that can be reused or repurposed for different uses at different stages of the technological lifecycle, with a view to capture greater value to all stakeholders while minimising the environmental and social costs of its operations.

About

Aemulus was established in 2004 in Bayan Lepas, Penang. The company designs and develops Automated Test Equipment (ATE) and Test and Measuring Instruments (TMI) for the semiconductor industry. As a design house, Aemulus architects and markets Semiconductor Testers and ATE, with a primary focus on Radio Frequency (RF) and Mixed-Signal Semiconductor Test markets, as well as Automotive and Lighting Markets.

The company was publicly listed on the ACE Market of Bursa Malaysia Securities Berhad in 2015, and boasts a presence in Taiwan and China. In 2020, the company completed Aemulus Base, a sustainable green building located in Penang's Free Trade Zone. The company recently announced Aemulus Extension (AX) – an expansion plan that will raise its production capacity by 50% - 80% upon completion.

UST Harbours a Socially Responsible Mindset

Transforming lives demands diversity of thought and a socially responsible mindset. It means being a champion for clients, colleagues and communities, and integrating these efforts to the company's operations while delivering growth. To live up to this purpose, UST is focused on making a difference across five key areas: education, health, the environment, disaster relief, as well as diversity and inclusion.

Guided by values of humility, humanity and integrity, UST paves the path to improvement by enhancing learning outcomes in underprivileged schools, reinvigorating outdoor spaces and promoting a more equitable and diverse workforce.

The company strives to transcend boundaries so it may enact positive change. In its journey to touch three billion lives, UST conducts regular community activities which include channelling assistance to those in need and protecting the environment.

A certified 'Great Place to Work' in Malaysia

UST has been recognised as a 'Great Place to Work in Malaysia' for 2021-2022 by the Great Place to Work (GPTW) certification. This prestigious recognition is based on employee feedback from their experience working at UST and their overall journey with the company.

UST is the third employer in Malaysia to gain the recognition, which is a testament of the company's commitment to integrity, impeccable leadership and continuous improvement towards building a conducive work environment and a resilient workforce.

In 2021, UST was also recognised as a 'Top Employer' in Malaysia for the third year in a row by the Top Employers Institute (TEI), a global authority on recognising excellence in people practices in the workplace.

UST's dedication to environmental conservation



Employees from UST are passionate about protecting nature and work together for environmental conservation initiatives. In one of the campaigns, over 40 employees volunteered as Beach Rangers for a day to collect garbage in a beach clean up campaign. The team accomplished the task in high spirits, making the event a success.

As part of its ongoing commitment to the climate, the company also joined The Climate Pledge, becoming a carbon-neutral company and planting over 30,000 new trees in 2021. The company also participated in a tree plantation in Malaysia, in line with its commitment to global environmental protection through proactive environmental management programmes.

Giving back to society

UST recognises that upskilling helps to build a robust talent pipeline that will help the industry. In its endeavour to upskill and empower students with industry-relevant skills, the company onboarded 108 trainees as part of the Khazanah-UST MySTEP 2021 programme. Trainees were given hands on exposure through various training methods, and were introduced to on-the-job trainings that helped build relevant fundamental skills.

UST organises an annual “Joy of Giving” week that reaffirms the company's commitment to giving back to society. Employees across UST Global Penang extend assistance to the underprivileged through donations and charitable activities. These efforts have included visits to St. Nicholas Home for the blind and visually impaired in Penang.



Apart from this, UST Global's Network of Women Ussociates (NOWU), an internal team of volunteers who drive the empowerment of the company's women, also organises activities to drive participation of women in community building activities. Some of the programmes under NOWU have included visits to orphanages such as Rumah Amal Anak Yatim YPIN in Banting, Selangor.

The company also participates in other public service initiatives such as ‘Gotong-Royong’ campaigns organised by the local authorities. In 2019, UST's employees volunteered to participate in a ‘Gotong-Royong’ to clean up the Bayan Baru Food Court and market area, that was organised by Majlis Bandaraya Pulau Pinang (MBPP) together with the office of the Bayan Baru Member of Parliament and InvestPenang.



A carbon-neutral company

UST is a carbon-neutral company. It achieved this impressive milestone in 2021 through a combination of in-house efficiency measures, switching to renewable energy and verifiable carbon credits.

The company is also a signatory of the Climate Pledge, co-founded by Amazon and Global Optimism, to meet the goals of the Paris Agreement 10 years ahead of the deadline, and achieve net-zero carbon by 2040. Towards this end, UST is committed to measuring and reporting greenhouse gas (GHG) emissions regularly. It seeks to implement decarbonization strategies in line with the Paris Agreement through business changes and innovation, including efficiency improvements, renewable energy, materials reductions and other carbon emission elimination strategies. UST neutralizes any remaining emissions with additional, quantifiable, permanent and socially beneficial offsets to achieve net-zero annual carbon emissions. It is also committed to increasing the share of renewable energy in its daily operations every year.

UST has an ISO 14001:2015-certified environment management system that helps it instil the Reduce, Reuse and Recycle principles in every part of its operations. To fulfil its commitment to use technology to create a sustainable future, UST installed a battery-less rotary uninterruptible power supply (UPS). This new technology reduces carbon emissions by 75% compared to conventional UPS systems. UST also engages in waste management initiatives, to avoid creating unnecessary waste to landfill materials and ensure that old equipment is reused or re-purposed.

About

UST is a global digital transformation solutions provider. For more than 20 years, UST has worked alongside the world's best companies to make a real impact through transformation. Powered by technology, inspired by people and led by purpose, UST partners with its clients from design to operation. Through their nimble approach, UST identifies clients' core challenges and crafts disruptive solutions to bring its clients' visions to life. With deep domain expertise and a future-proof philosophy, UST embeds innovation and agility into clients' organisations - delivering measurable value and lasting change across industries and around the world. With over 30,000 employees in 28 countries, UST builds for boundless impact—touching billions of lives in the process.

ams OSRAM Glowing Green through the Pandemic



Over the last two years, corporate landscapes and the approach to corporate social responsibility has changed dramatically due to the Covid-19 pandemic. In the face of extraordinary challenges in managing employee health and safety, many corporations have had to divert energy and attention to creating safe spaces for daily operations to continue. In times of crisis like these, other important long-term initiatives are sometimes forced to take a backseat, jeopardising the momentum and painstaking gains that had been achieved previously.

Determined to not lose sight of crucial green goals, ams OSRAM – one of the Bayan Lepas Free Industrial Zone’s eight pioneer investors that is celebrating its 50th anniversary in Penang this year – has kept its eye on the ball in its environmental efforts. From being a Green Building to embarking on innovative initiatives, the global optical solutions and photonics leader continues to gleam green in these challenging times.

Water harvesting

Leonardo da Vinci famously said that water is the driving force of all nature. Seeing the truth in this, ams OSRAM has long concentrated its efforts on optimising its water resources.

In 2008, the company installed a rainwater harvesting system. The system channels precious rainwater from the roofs of the company’s PEN31 and PEN32 buildings to an underground collection tank, which is then used in lavatories, for cooling tower top-ups and for landscaping.

“Approximately 1,260 m³ of rainwater is harvested and reused every year,” explained facilities specialist engineer Pri Cha Bon Rak, who handles waste water management for ams OSRAM.

On top of this, the company also taps into condensation water from its air conditioning system and ‘reject water’ from the reverse osmosis (RO) water purification system used on-site.

“Solute or ‘reject water’ is separated from pure drinking water in RO, and usually flows into the drain. However, though reject water is considered ‘dirty’ by semiconductor standards, it can still be recycled or reused for low-quality water requirements such as cooling tower top-ups, backwash for the company’s MMF (multi-media filters) and in lavatories. At ams OSRAM, 50% of the reject water is reused for these purposes while the remaining 50% is treated and recycled back as feed water to its water purification plant,” Pri Cha said.

Along with rainwater harvesting, ams OSRAM's water recycling and water-saving initiatives save the company approximately 340,025 m³ of water each year.

Putting e-waste to good use

Paper, plastic, metal and glass are among the basic categories of recyclable goods well-known to most Penangites. The state has consistently clocked in the highest recycling rate in the country for the past five years. Electronic waste or e-waste, however, has always been a challenge.

With fewer recycling hubs that are equipped to handle and channel e-waste to the right places, a significant amount of this type of trash usually ends up in landfills. Aiming to spread awareness on recycling e-waste, ams OSRAM embarked on a joint campaign with Penang’s Department of Environment (DOE) in September and October 2020 to collect household e-waste from employees.

About 2,110kg – equivalent to four-and-a-half grand pianos or 14 panda bears – was collected and recycled, amounting to an average of 450g of e-waste per employee. This e-waste included old computers, chunky CRT television sets and broken kitchen appliances.

“Managing household e-waste allows us to continue being responsible citizens. In the future, as part of preservation efforts in protecting the environment from harmful human activities, we will encourage our employees to continue recycling this waste through the nearby collection sites listed by the DOE. Together we can make a difference.”

- Mr. Glen Brownlie, Vice President of ams OSRAM Group Malaysia -

Learn anytime, anywhere, on any company device

ams OSRAM continuously looks at innovative learning methods to support employees’ development. The company launched the ams OSRAM University (aOU) in November 2021. aOU provides access to more than 16,000 courses globally across various fields, supporting different career paths. Employees can expand their knowledge and skills at any time, from anywhere and on any company device. The aim is to make training content easily accessible against the backdrop of new forms of working. It allows employees to acquire new skills through formal and informal learning processes, such as blended learning, online courses, mobile learning, webinars and learning-on-demand solutions.

Flexible working environment

The company believes that aOU is a way of learning that complements today's hybrid working conditions and how employees do their jobs. Consequently, a new global policy aimed at supporting ams OSRAM's employees with a smart working strategy that is relevant beyond the pandemic has been introduced.



The new policy creates a more flexible work environment with guidelines for employees to be present in the office for at least 50% of their scheduled working hours. The policy is in line with the company's overall office space transformation to create a more open work environment.

Reaching out during the pandemic



Amid a nationwide shortage of hand sanitizers, face masks and other necessities during the pandemic, ams OSRAM stepped up by donating these much-needed supplies to Penang General Hospital and the Penang Prison. For underprivileged children, the company donated over 200 refurbished laptops to the Penang "E-learning Computer Programme" and another 200 to the Kedah State Department of Education. Under the Public-Private Partnership Covid-19 Industry Immunization Programme (PIKAS) programme, ams OSRAM opened its in-house vaccination centre to 11 neighbouring companies and vaccinated 4,826 people. The company's social engagement activities follow a clear strategy and are aligned with its corporate principles that foster sustainable development and a prosperous society.

About **ams OSRAM**

ams OSRAM is a global leader in optical solutions. With over 110 years of combined history, the group's core is defined by imagination, deep engineering expertise and the ability to provide global industrial capacity in sensor and light technologies. ams OSRAM creates exciting innovations that enable customers in the consumer, automotive, healthcare and industrial sectors to maintain their competitive edge and drive innovation that meaningfully improves the quality of life in terms of health, safety and convenience, while reducing impact on the environment.

ams OSRAM (formerly known as OSRAM) is a pioneer multinational company that set foot in Penang since 1972. The company had invested RM5billion in Penang since its inception and in Mar-2022, it announced a new expansion at a 60-acre site at Penang International Technology Park (PITP), Batu Kawan, Penang.

Clarivate: Focusing Actions on the Greater Good

Sustainability is embedded as part of Clarivate's global culture. The company strongly believes that every action taken, regardless of size, can make significant impact towards contributing to the 17 United Nations Sustainable Development Goals (SDGs). This belief underpins the company's work culture, and drives its commitment to maintain the highest level of integrity and ethics, protect the planet, and empower its employees to thrive and build collaborative global communities.

Best Workplace Ever

Clarivate believes that human ingenuity can transform the world and improve the future. Recognising that its people are the foundation of its success, the company strives to ensure world-class employee engagement and workplace excellence by demonstrating empathy and care for co-workers. The company invests in its employees, providing the relevant training for its personnel to further their careers and better contribute to the advancement of innovation. It takes proactive efforts to build a strong talent pipeline, partnering with institutions such as InvestPenang, TalentCorp, Graduan and other local universities for student development and recruitment programmes.

These efforts have enabled Clarivate to live up to its 'Best Workplace Ever' tagline, having been named among the Best Companies to Work for in Asia 2021 by HR Asia, one of the region's most authoritative publications for HR professionals.

Pitching in



In 2021, the company contributed a total of 950 volunteer hours through various ESG initiatives, which yielded significant impact towards the betterment of the community in which it operates. The company has focused on empowering its employees by providing platforms and resources that enable them to contribute to society by sharing their time, talent and effort.

The company's recent social and community initiatives have included a donation drive to provide essential goods for low-income families in Penang. For the campaign, Clarivate pledged to sponsor essential goods for one family for every 10k steps completed and proceeds raised from the pledge was used to contribute back to about 40 low-income families. The company also packed and distributed food and Covid-19 care packs to 80 homeless individuals in Penang, in the form of 60kg of food, 60 litres of beverages, 1,440 pieces of face masks and five litres of sanitiser. Separately, following the severe floods that affected several states in Malaysia at the end of 2021, Clarivate contributed in the collection and distribution of clothes (200kg), as well as the purchase of essential items and medicines (worth RM13,300) for the flood victims, and assisted in cleaning up impacted homes.



On the environmental front, Clarivate has collected and recycled four tonnes of boxes via its recycling initiative in the span of a year, released 30 baby green turtles to the sea and collected 2kg of trash across a jungle trek as part of its efforts to preserve wild and marine life. The company has also installed Vertical Compost Towers (VCT) to cultivate vegetables and recycle food waste into natural fertilizers.

Towards a thriving and sustainable digital GBS ecosystem in Penang

Shaun Lee, Site Leader for Clarivate's Centre of Excellence (COE), shared the company's strategy in integrating ESG in its day-to-day operations.

"At Clarivate, sustainability is woven through every part of our business strategy. We help companies innovate for a better future worldwide while operating to the highest social, environmental and ethics standards, and we're deeply invested in the UN SDGs."

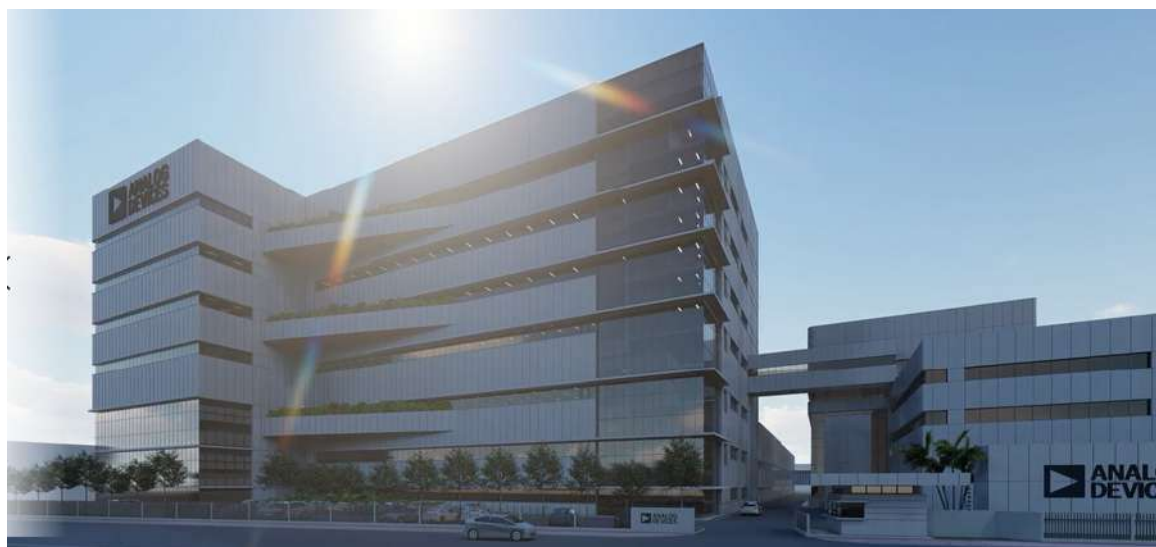
"Being one of Clarivate's COEs, we aim to be a major contributor towards realizing the goals through various strategic actions, such as driving diversity, equity, inclusion and belonging within our workforce, maintaining strong Colleague Engagement scores, and delighting our customers globally. We ensure our colleagues comply to strict business ethics, implement digital first strategies in our branding, products and business processes, build long-term, sustainable relationships with academia and our industry counterparts and most importantly, give back to the community."

About Clarivate™

Clarivate is a global leader in providing trusted insights and analytics to accelerate the pace of innovation. The company delivers critical data, information, workflow solutions and deep domain expertise to innovators everywhere, driving the entire lifecycle of innovation, particularly for Life Sciences and Intellectual Property. Clarivate is a trusted, indispensable global partner to its customers, which include universities, nonprofits, funding organisations, publishers, corporations, government organisations and law firms.

Established in 2020, Clarivate Malaysia is one of the group's three COEs that provides world-class global services to customers, with the other two located in Chandler, USA and Belgrade, Serbia. Clarivate Malaysia serves as a central hub for Asia Pacific, and extends support globally to the Americas, Europe and Asia Pacific markets. Services provided include Customer Care, Inside Sales, Patent and Content Editors, Finance, HR, IT and Marketing.

Analog Devices' Commitment towards a Better Quality of Life



Analog Devices' ESG commitment aims to protect and regenerate the environment through technology, empower its people, and improve the quality of life for future generations.

As a market leader in electric vehicle battery management systems (BMS), the company is a driving force in the transformation of automobiles from traditional, fossil fuel-burning machines, to clean, efficient electric vehicles. Over the next decade, global demand for electric vehicles (EV) is expected to surge by over 15x, and Analog's BMS chips are already being used in over half of the top 10 best-selling EV cars globally today.

Environmental efficiency

While Analog's Penang facility plays a vital role in the wafer sort and assembly production of these critical automotive parts, the company's products and technology also continuously support the monitoring of critical oceanographic conditions. The real-time data garnered enables evidence-based stewardship of ocean health and drives more accurate climate and weather predictions, which is critical for informed business and policy decisions.

From production standpoint, Analog has initiated efficiency efforts across its operations to eliminate wastage and upgrade older equipment to improve operational efficiency. The company successfully recycles over 5 million gallons of water every year through water recycling and rainwater harvesting, which is applied for landscaping and use in lavatories. It has also managed to lower greenhouse CO₂ emissions by 8.6% quarterly, and over 50% of electricity used in the facility is drawn from TNB's renewable energy generation, with a target to hit 100% by 2022. The facility has also redeemed 7,053MWh of electricity generated from renewal source through I-REC Certificates.

Looking ahead, the company will continue to pursue its environmental criteria, with its upcoming new building to be powered by solar panels. Analog is also committed to progressively reduce its waste to landfill every year through paper and e-waste recycling efforts.

Analog has achieved its 100% paper recycling target, and successfully reduced its paper usage by 50% over the past two years. The company aims to achieve zero waste to landfill by 2030.

Social sustainability

In supporting social sustainability, Analog recognised the impact of the Covid-19 pandemic on the local public healthcare system and responded by contributing medical equipment to the Penang General Hospital for the treatment of Covid-19 patients.



The company also actively encourages its employees to volunteer and steward community outreach efforts. Recent campaigns have included organizing food donation drives to Penang's Low-Risk Covid Center (LRCC), volunteering at vaccination administration centers and TechDome Penang for the 2022 Virtual 3D Pen Workshop, as well as sponsorships of STEM workshops. The company also organized donation drives to help thousands of flood victims of the recent flash floods in Selangor.

Sustainability is a core focus of Analog. The company is committing more resources, effort and energy than ever to drive its ESG agenda. It regularly reviews its policies and continuously conducts training to upskill and educate its employees on the importance of ESG criteria – not just to comply with regulations, but also to uphold the company's established values.

Management believes that trust is key to achieving its ESG targets, which emphasizes the need for a strong and effective leadership structure that will drive ESG initiatives and performance metrics. Analog will continue to uphold its commitment and build towards a better quality of life for society.



Analog Devices' roots in Penang go back nearly three decades when Linear Semiconductor was established in 1994. The company, which initially focused on assembly and wafer sort operations, was acquired by Analog Devices in 2017.

Prior to the Covid-19 outbreak, Analog predicted that a health crisis of global scale could cause broad-ranging economic, psychological and social impact on society. Recognizing the gap in healthcare solutions, the company expanded its focus to encompass healthcare technologies, supporting customers in the medical and communications sectors. Following this shift, Analog's solutions are now widely applied in healthcare instruments such as electrocardiogram (ECG) equipment, blood pressure monitoring systems, respiration measurement equipment, wearable health monitors, CT scans, X-rays, ultrasounds and spectrometers.

With over RM2 billion invested in its Penang operations over the past 20 years, Analog's facility here has doubled in size from 350,000 sq. ft. to 700,000 sq. ft. The Penang facility's strong results underpinned the company's decision to invest a further RM250 million to expand its operations. The expansion plan, which is underway, will see the addition of a new 7-storey building adjacent to the current production facility, slated for completion in July 2022. Completion of the expansion will create a further 200 job opportunities, bringing Analog's local headcount to 2,000 employees. The added capacity will support Analog's growth by consolidating its global wafer sort operations, and introduce complex products final test operations, as well as the most high-end micromodule business unit functions to Penang.

Reducing Carbon Footprint in Penang: Bosch Maintains Its Commitment to Sustainability

Bosch, a leading global supplier of technology and services, maintains its pledge to its long-term carbon neutral strategy for all its sites in Penang.

In 2020, the company completed its largest rooftop photovoltaic system installation in Malaysia, which was installed at its automotive electronics plant. The 3MWp solar panel installation, undertaken in collaboration with solar energy provider Blueleaf Energy, generates an additional 4,500MWh of electricity, and is estimated to cut 3,000 tonnes of CO₂ emissions a year – which is equivalent to the emissions generated to power up 1,300 Malaysian households or drive 700 cars annually.



The solar panel installation taps on Bosch's pursuit of clean renewable energy. The company dedicated 24,500 m² of rooftop area, which is the size of 3.5 FIFA standard football fields, to install 7,500 solar panels. The plant is operating under a solar leasing or Power Purchase Agreement (PPA). Blueleaf Energy, which designed and constructed the solar plant, owns and manages the photovoltaic asset. Greencells Energy Asia Pacific, a subsidiary of Germany's Greencells Group – a major player in future-proof green energy, also participated in the project as the Engineering, Planning and Construction (EPC) contractor.

The PPA's discounted tariff, compared to that of power provider Tenaga Nasional Berhad (TNB) on a self-consumption basis, creates the opportunity to export excess energy back to the grid. To date, the solar installation is the largest solar power plant in Penang under the Net Energy Metering (NEM) scheme.

“Bosch has been taking progressive action towards carbon neutrality. We continue to push ahead with the installation of the photovoltaic system in Malaysia due to its high solar irradiance throughout the year. We are pleased to achieve this milestone in our climate action despite the lockdowns, travel restrictions and several unprecedented challenges brought on by the pandemic.”

- Dr. Siegfried Skirl, Bosch's Automotive Electronics Plant Technical Manager in Malaysia -

This is the second solar panel installation of the Bosch site. In 2012, Bosch installed 2,300 Bosch photovoltaic modules, reducing 460 tonnes of CO₂ emissions annually, which is equivalent to the average emissions from 107 cars in a year.

In addition to the solar panel installations, Bosch has also undertaken a series of projects in line with its strategy to increase energy efficiency and achieve carbon neutrality. These projects, which included chiller optimisation, compressor upgrades and switching to LED lights, were implemented in stages across all its locations in the country.



Ambitious target towards climate protection

In view of the increased challenges of climate change, Bosch has set an ambitious global target of saving 1.7 TWh of energy by 2030. The group also aims to generate 400 GWh of energy needs from its own renewable resources by then. To financially support these ambitions, the board of Bosch approved an additional annual budget of €100 million for 2018 through 2030.

About BOSCH

Bosch was established in Malaysia in 1923, represented by Robert Bosch Sdn Bhd. The company had offices located in Selangor and Penang. Today, Bosch's Malaysian operations deliver solutions for mobility, industrial technology, consumer goods, as well as energy and building technology. In 2020, Bosch Malaysia employed more than 4,000 associates.

Penang is proud to be home to three existing Bosch manufacturing sites and R&D offices since 1972. Robert Bosch (M) Sdn Bhd, Robert Bosch Power Tools Sdn Bhd and Robert Bosch Automotive Steering Sdn Bhd, produce car multimedia systems, power tools and automotive steering respectively. This is the largest number of manufacturing facilities in a single country for Bosch in Southeast Asia.

Agilent's Clear Commitment to Sustainability



Working towards net-zero goals

Since its founding more than 20 years ago, Agilent has worked to reduce its energy, waste, water and CO₂ emissions. Last year, the company announced its commitment to achieving net-zero greenhouse gas emissions by 2050. The commitment adds to the global effort by governments, corporations, and other institutions to limit warming of the climate to 1.5°C above pre-industrial levels, a goal of the 2015 Paris Agreement on climate change.

To ensure the company achieves its net-zero goals, Agilent has also committed to interim greenhouse gas reduction targets. By 2030, Agilent will reduce absolute scope 1 and 2 emissions by 50%, and scope 3 emissions by at least 30% (with a stretch goal of 40%) from a base year of 2019. Scope 1 covers direct emissions from owned or controlled sources, while Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company. Scope 3 includes all other indirect emissions that occur in a company's value chain.

The company has reported on its progress in reducing energy, waste, water, and CO₂ emissions every year. Since 2014, Agilent has reduced its scope 1 and 2 CO₂ emissions by 22%, even as the company has continued to grow.

Over the years, Agilent Malaysia has rolled out a series of sustainability programmes, including collaborations with Penang's Department of Environment on e-waste management pilot project, and a partnership with the American Chamber of Commerce in Malaysia's (AmCham) CARES programme to contribute to the community where Agilent operates. The CARES programme creates long-term economic and social value for Malaysia through donations, employee volunteerism, and community partnerships.

In 2021, Agilent was recognised by Brian McFeeters, US ambassador to Malaysia and Anthony Lee, Chairman of AmCham Malaysia, for its model approach to corporate citizenship. The Company was also awarded by the Malaysia Employee Federation in supporting local labour law and continually developing local science and engineering talent. Last year, with the onset of medical equipment shortages in healthcare facilities amid surge in Covid-19 pandemic, Agilent Malaysia donated 24 oxygen concentrators to Penang General Hospital, providing additional support to the hospital to treat patients with respiratory conditions. The concentrators are medical-grade and used as non-invasive breathing aids.

To achieve its 2050 targets, the company is investing in renewable energy and focus on three areas where its carbon footprint is greatest: purchased goods and services, sold products, as well as transportation and distribution.

“We define a vibrant and sustainable business by its employees’ engagement in day-to-day corporate sustainability efforts. A long-term commitment to sustainability is vital, so companies should prepare for a marathon and not a sprint. Integrating ESG into the company’s business priorities demonstrates its vision in growing strong local roots in Malaysia.”

- Chai Meng Fee, General Manager of Agilent Malaysia -

About Agilent

Agilent Technologies is a global leader in the life sciences, diagnostics, and applied chemical markets, delivering insight and innovation that advance the quality of life. Agilent’s full range of solutions includes instruments, software, services, and expertise that provide trusted answers to our customers' most challenging questions. The company generated revenue of US\$6.32 billion in fiscal 2021 and employs 17,000 people worldwide.

Established in 1999, Agilent Malaysia has grown to more than a 630-strong workforce. Its 200,000 sq. ft. manufacturing facility in the Bayan Lepas Free Industrial Zone in Penang is one of the group’s global hubs for human resources, finance, trade & logistics, supply chain and instrumental design for specific product lines.

Pentamaster's Long Term Sustainability Strategy



Being a leading global provider of advanced automation equipment and systems, Pentamaster group believes that creating a sustainable workplace is the key for a better and sustainable future. In maintaining a high level of ESG initiatives, the group targets to drive its long-term sustainability strategy.

Green building that ensures resource efficiency

Pentamaster group believes that a sustainable workplace creates a sustainable future. The group's sustainable workplace strategy includes creating a sustainable building with resource-efficient designs and equipment that ensure the efficient use of energy, water and other resources.

While its first two factory buildings have smart sensors to ensure an efficient use of energy, its third production plant, which is currently under construction in Batu Kawan, Penang, will have more resource-efficient fittings, equipment for rainwater harvesting and solar panels. It will also have an energy-saving floor plan that takes into account architectural features, zoning, and smart sensors to better control the use of energy for lighting and air-conditioning. The plant will also feature several conducive communal areas to keep employees' productivity high and encourage cross-departmental interaction and foster a greater sense of belonging and community.



To combat climate action, Pentamaster has defined targets to reduce its environmental footprint. The group is aiming for a 20% reduction in its direct and indirect greenhouse gas (GHG) emissions, production of hazardous and non-hazardous waste, as well as energy and water usage by 2030, with 2020 as the base year.

Engagement in meaningful social initiatives

Pentamaster believes in empowering local communities by providing education and employment opportunities. It recognises the importance of local talent development and is committed to nurturing future generations of talent. The group provides on-the-job training and industry attachments for fresh graduates and mid-career talents. The group's goal is to build a future talent base by entrenching itself in the communities where these future employees exchange ideas, learn and develop critical skills. In return, the industry as a whole will benefit from a ready talent pool that is relevant and innovative, which in turn, can empower the local community and drive economic prosperity for the state.

To support local communities, the Pentamaster group continues to provide financial aid and allowances for those in need. The group takes pride in supporting the educational needs of the younger generation, and actively provides financial assistance to schools and charity homes, and organises free tuition classes and food sponsorship for students in need.

Pentamaster is committed to ensuring long term sustainability of its businesses by embedding various ESG measures in its operations. The group believes the increased focus on sustainability and ESG matters globally will continue to gain momentum and shift the way that businesses operate.

About

Incepted in 1991, Pentamaster group, which has operations in Bayan Lepas and Batu Kawan, Penang, is involved in four major business segments: automated test equipment, factory automation solutions, manufacturing of medical devices and warehouse automation solutions. Over the years, Pentamaster group has widened its scope of services to include comprehensive burn-in and reliability testing machines, automated vision inspection solutions, smart sensor testing machines, power modules manufacturing solutions as well as factory and warehouse automation solutions for customers in the areas of electro-optical, automotive, consumer and industrial products, as well as semiconductors and medical devices.

Pentamaster group recently embarked on an expansion plan, investing in a 12-acre plot of industrial land in Batu Kawan, Penang, as the group's new, third manufacturing plant. The new facility will increase the group's engineering and manufacturing capacity, specifically for the factory automation solutions and medical device segments. Construction of the facility commenced in the first quarter of 2022 and is expected to be completed in approximately 12 months.



Amid the pandemic, Pentamaster launched its Covid-19 response to actively help the local community. Recognising the immense stress on the public healthcare system, the group donated oxygen concentrators to local hospitals, while for a local caring centre, the group provided financial aid as well as a van to help with daily logistic matters. It also donated used computers to charity homes to support e-learning, on top of accommodating internship requests despite the pandemic.

Nolato's Initiatives and ESG Journey in Malaysia

ESG is central to Nolato's business model, and the company's sustainability strategy is guided by its Code of Conduct, which helps it put its principles to practice.

With a 12-year presence in Malaysia, Nolato has collaborated with various organisations to realise its ESG priorities, which essentially support the communities where the team live and work.

Nolato actively supports the promotion of science, technology and engineering education, and works with Penang Science Clusters in sponsoring Science Workshops for students at Tech Dome Penang. In 2018, it also sponsored a Faraday cage exhibition to show the effects of electromagnetic shielding with portable devices.



The Faraday cage at the exhibition booth at Tech Dome Penang in 2018

In 2021, Nolato sponsored laptops as part of the Penang government's e-Learning Computer Programme, which was aimed at enabling students from underprivileged families to participate in online learning during the movement control order.

Amid the Covid-19 pandemic, Nolato also donated medical equipment for two Covid-19 designated hospitals in Penang, providing surgical face masks, AirSpiral Tubes, nasal cannulae, ripple beds and medical refrigerators needed in the hospitals' Intensive Care Units (ICUs). The group also donated laptops to facilitate the establishment of Covid-19 Vaccination Centres (PPV) in Penang to expedite the roll out of the government's vaccination programme.



Donations of surgical face masks, AirSpiral Tubes, nasal cannulae and ripple beds for use in the ICU at Penang General Hospital in 2020 and 2021

As part of its sustainability initiatives, Nolato introduced long-term, group-wide environmental responsibility goals. These included goals aims to reduce the group's carbon footprint along its entire supply chain, from the selection and sourcing of raw materials, to production operations and end-product level packaging, distribution and disposal considerations. In Penang, the company also installed EV charging stations for electric vehicle usage.



2021 MY AMCHAM CARES award

Nolato Malaysia was a recipient of the 2021 MY AMCHAM CARES award, a programme coordinated by AMCHAM Malaysia, recognising the efforts and best practices of corporate citizenship and CSR programmes among AMCHAM members. Nolato also received recognition from the Penang state government for its donation of laptops to PPV centres in Penang.

Nolato remains committed to support its non-profit and NGO partners in implementing health, safety, education and environment-related programmes. Apart from corporate-driven initiatives, the company also encourages its employees to volunteer their time and effort to support programmes that benefit local communities in Malaysia.

About Nolato

Nolato is a Swedish company that develops and manufactures customer-specific mechanical products in polymer material. The company also works closely with leading global OEMs in various industries, including the consumer electronics, home appliances, telecommunications, automotive and medical industries. Founded in 2009, Nolato Malaysia was the group's first plant in Southeast Asia.

Greatech Extends ESG Practices in Penang

Greatech Technology Berhad has developed a Sustainability Policy that emphasises three key values to the business: People, Planet and Profit.

People initiatives



Greatech extends its value to the broader community in which it operates through various social engagement initiatives. In 2020, the company donated RM660,000 in cash and in-kind contributions to more than 25 charities, non-profit organisations and educational institutions in Malaysia. The funds were allocated to support operating costs to establish or sustain core community programmes, as well as to cover capital costs incurred in building construction or renovation. The company also collaborates with colleges, universities and industry associations by funding research, skill-sharing assignments, educational enrichment and mentoring programmes to promote education in the broader community.

Greatech is committed to nurturing and developing its talent pool. In 2020, the company provided 16,649 training hours, offering 287 training sessions across 172 different courses to hone its employees' competencies and skills.

It also launched its Young Engineer Programme (YEP), which provides opportunities for engineering graduates to get a head start in their careers at Greatech. Aside from this, the company holds regular engagements with the relevant universities for recruitment, career fairs, technical forums and internship training programmes. In 2020, 35 interns completed their attachments at various departments of the company.

Greatech also places significant priority on investing in and managing its research and development (R&D) activities. It launched its own Innovation Council, which aims to promote innovation and deep learning for engineering applications within its workforce, leveraging on its close ties with academia to collaborate on R&D initiatives.

Planet initiatives

As a machine manufacturer, Greatech's operations are not energy-intensive and feature low water consumption. Its strategy to manage energy usage and energy-related CO₂ emissions focus on exploring ways to replace fossil fuel-generated electricity with renewable energy as well as energy saving initiatives. The company also continually seeks to optimise its packing process to reuse or repurpose packaging materials used.



Towards this end, Greatech launched an in-house “We Care Environment Campaign”, which among others, undertook the following campaigns:

- Single-Use Plastic Restriction Awareness Programme, where the company subsidised its employees 330 reusable glass lunchboxes as an alternative to disposable plastic food packaging.
- Household E-Waste Collection, through which the company collected approximately 370kg of household e-waste to be recycled, reused and/or re-purposed. Greatech was the first runner-up in the Green Programme Award 2020 for the results of this campaign, conferred by Penang’s Department of Environment.
- Beach Clean-Up, which saw the joint forces of Greatech and Trash Hero Penang collect 35kg of garbage from Tanjung Bungah Beach.

As a factory automation solutions provider, Greatech strives to ensure fair and transparent procurement practices. It also prioritises sourcing from local suppliers that are geographically close to its manufacturing facilities to boost local employment, support local businesses, optimise material flow and reduce the carbon footprint and costs along its supply chain.

The company pledges to offer sustainable solutions that support its customers in achieving their respective sustainability goals. It has made significant progress in its own ESG journey and will continue to operate responsibly in delivering strong value for all stakeholders and the economy moving forward.

About **GREATECH**

Founded in 1997, Greatech is headquartered in Penang, with subsidiaries and representative offices in Asia, the United States and Europe. The company was listed on the ACE Market of Bursa Securities in June 2019, and was transferred to the Main Market in December 2020.

The company offers broad range of customised equipment and process solutions, from conceptualisation, engineering development and prototyping, to system integration, installation and commissioning. Its services also extend to include customer training, after-sale services, parts, retrofits and equipment relocation, and cater to a variety of industries including solar, semiconductors, consumer electronics, energy storage and life sciences.

CONTRIBUTING TO GLOBAL SUSTAINABILITY VISION: CONCERTED EFFORTS BY ALL

Penang is proud to be home to a diverse range of industry players who are committed to drive meaningful change in the workplace, society, environment and beyond. These firms' dedication to sustainability highlights the companies' recognition and acknowledgement of their responsibility to protect the interests of every stakeholder group.

By adopting the ethical practices of ESG into their businesses and operations, companies demonstrate their commitment to sustainability by minimising their environmental footprint, respecting resources and intention to improve the wellbeing of employees and the surrounding community.

*Whether it is constructing more sustainable buildings and green spaces for employees, reducing the impact of water and energy consumption through various clean energy means, planting trees, designing and participating in multiple charity events, or giving back to the community through philanthropic outreach, **companies across Penang have truly taken meaningful steps towards building a better world.***

These efforts benefit the environment in which they conduct their businesses by ensuring that resources are allocated responsibly, while their social initiatives give back to the society that the firms are ever so integrated with, creating an ecosystem that can improve overall standards of living for the community.

The benefits of ESG propositions are manifold. In addition to the obvious benefits to the macro environment, an effective ESG strategy can stimulate growth for a company by a creating brand identity that is synonymous with sustainability and outstanding corporate citizenship. This, in turn, has the potential to win consumer mindsets and build demand for sustainable practices to drive further investments in sustainable endeavours. It can also minimise legal interventions, help the company attract and retain talent, increase total productivity, and optimise companies' assets and investments. ESG practices can help companies foster an increasingly collaborative culture that strengthens financial performance and increases innovation. In short, ESG can bring companies boundless benefits that will contribute to their long-term sustainability.

As Penang celebrates its 50th year of industrialisation, the state government's pledge to prioritise sustainability is critical to ensure that businesses, communities and individuals follow suit.

With investors placing increasing emphasis on ESG investing, Penang is also delighted to be at the forefront of this transformation. InvestPenang believes Penang's industry players of all shapes and sizes will continue to use their immense capabilities to do good within and beyond Penang in the years to come, and inspire more companies to adopt ESG practices.

InvestPenang expresses its appreciation and gratitude to the companies featured in this newsletter for sharing their ESG experiences, journeys and contributions, demonstrating what it means to simultaneously conduct strong business operations and enact meaningful and positive change through an ESG lens.



INVEST penang



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